

REQUEST FOR PROPOSAL for Group Medical Plan Administration

Dakota County Employee Relations

Release Date: April 22, 2024

Due Date: May 20, 2024

Dakota County Employee Relations
Administration Center
1590 Highway 55
Hastings, MN 55033

For additional information please contact:

Shannon Welle
Shannon.welle@co.dakota.mn.us
651-438-8136

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SUBJECT: Request for Proposals – Group Medical Insurance Coverage

TO WHOM IT MAY CONCERN:

Enclosed please find the Request for Proposal (RFP) specifications and background information that you will need to prepare a proposal for the group medical plan administration for eligible employees of Dakota County ("the County"). Approximately 2,200 employees and retirees are eligible to participate in these plans.

The County is actively seeking innovative solutions to the challenges created by rapidly increasing medical costs. In addition to requesting proposals that reflect current plan design, the County is requesting that vendors also provide proposals on various alternatives as outlined in the RFP. Any changes in coverage will be effective January 1, 2025.

The County is requesting proposals including administration of medical, pharmacy, flexible spending account, stop loss, and disease management. The County reserves the right to select the proposals that best fit its needs and the needs of its eligible employees and retirees. The County has retained Deloitte Consulting to assist in the RFP process. The County will not appoint an Agent of Record or pay commissions, finder's fees, or any other type of marketing compensation on this program.

To Receive the Appendix's listed in this RFP:

Jenny Bisciglia-Heideman Dakota County Government Center 1590 Highway 55, Hastings MN 55033

Email: jennifer.bisciglia-heideman@co.dakota.mn.us

The point of contact for this RFP is listed below. Bidders should NOT contact any other County employees regarding the RFP. Questions must be submitted in writing via email and are due no later than **4:00 p.m. CDT on May 20**th

Shannon Welle
Dakota County Employee Relations
Dakota County Government Center
1590 Highway 55, Hastings MN 55033
Email – shannon.welle@co.dakota.mn.us

One (1) hard copy and one (1) electronic copy of your proposal are due by **4:00 p.m., May 20, 2024,** to Dakota County.

Shannon Welle
Dakota County Employee Relations
Dakota County Government Center
1590 Highway 55, Hastings MN 55033
Email – shannon.welle@co.dakota.mn.us

Details regarding questions and proposal submission are outlined in the RFP. There will not be a conference for interested proposers.

If your company decides not to submit a proposal, please send a written refusal (email is preferred) to the RFP contact at Deloitte Consulting. Your assistance will reduce the number of follow-up mailings,

conserve paper, and maintain the spirit of the County's recycling efforts.

Any addendum to the specifications will be released from Dakota County at https://www.co.dakota.mn.us/Government/DoingBusiness/Pages/default.aspx if additional information becomes available. Information regarding the County can be obtained from their web site at: www.co.dakota.mn.us.

Introduction and Background

Description of Dakota County

Dakota County is located in the southeastern part of the metropolitan area. The County encompasses nearly 600 square miles and is bordered to the North and East by the Mississippi and Minnesota Rivers. Dakota County provides group health coverage to approximately 2,200 which includes employees, retirees under age 65 and COBRA participants. In addition, 187 retirees are on the Medicare Supplement plan. Approximately sixty five percent of the active employees are covered by collective bargaining agreements.

Additional information on the County can be obtained at www.co.dakota.mn.us

Current Benefits Program

Dakota County provides a comprehensive health care benefits program consisting of medical and prescription drug plans as well as a flexible spending account plan (both health care and dependent care).

Medical and Prescription Drug Plan

Currently, Dakota County offers three medical plans options administered by UMR on a self-insured basis: Dakota Advantage HRA, Dakota Select HRA, and Dakota HSA Plan. All options have tiered networks custom to our group and are open access. Dakota Advantage HRA is the base plan for all collective bargaining agreements and includes a Health Reimbursement Account (HRA). These medical plan designs have been in effect since 2018 (with an increase in drug copay from 2013 to 2024).

	Medical Plan Enrollment Statistics – February 2024		
	Single Single + 1 Far		
Dakota Advantage HRA	491	233	353
Dakota Select HRA	222	118	163
Dakota HSA	93	31	99
Medicare Supplemental	154	55	
TOTAL	960	437	615

Wellness

The County offers a Health Assessment through OPTUM, as well as a wellness program and health coaching. Employees are offered a premium credit (\$300-\$540 a year) to their medical premium if annual health promotion criteria are met. Please note: there is currently a contract in effect with a vendor.

Flexible Spending Account Plan

Dakota County offers employees the opportunity to participate in a Flexible Spending Account. The plan includes a pre-tax, a Health Care Reimbursement Account and Dependent Care Reimbursement Account.

Health and Welfare Benefits

The County sponsors a full flexible benefit program, for all benefit eligible employees. See below for eligibility criteria,

Benefit Program	
Wellness Premium Credit	All employees who elect the medical plan are eligible
Paid Time Off	Vacation, Sick Leave, and Bereavement Leave
Medical and Dependent Care FSA Plans	All benefit eligible employees
Employee Assistance Program (EAP)	All benefit eligible employees
Eligibility for Part Time Employees	Part time non-limited employees who work 0.5 FTE or more have benefits are eligible to participate. Part-time employees are benefit contributions are prorated based on two tiers: .9975 FTE or .745 FTE. Some employees who work less than .50 FTE are grandfathered in as eligible if hired before 2015 and currently enrolled in the medical plan.

Eligibility Criteria

All <u>fulltime</u> non-limited, special limited or grant funded and trainee employee positions working a minimum of 40 hours per week, elected officials, and other persons determined to be eligible for benefits under the joint powers agreement pursuant to Minnesota Statutes 471.59 or 471.61.

All part-time non-limited special limited, grant funded and trainee employee positions employees are eligible if they are working in a .50FTE position or greater. The medical and dental premiums for part-time employees are pro-rated per .99-.75 FTE and .74-.50 FTE.

An active employee title Examiner of Titles who is regularly working at least 12 hour each week. An employee must consistently earn enough in wages to pay the required payroll premium deduction(s). If, during the year, an employee does not earn enough wages to pay the required payroll deduction(s), the coverage could be continued for a maximum of eighteen months with the employee paying the full cost of the plan. The next opportunity an employee would have to re-enroll in benefit plans and receive the County's benefit contributions will be the next Open Enrollment period or if/when there is an increase in an employee's official FTE with a corresponding, consistent increase in wages.

Reasons for Competitive Bid

Dakota County ("the County") intends to continue administering a self-funded health insurance program. Therefore, the County is seeking proposals to provide third-party administration for a self-funded health insurance program including provision of a provider network. The County intends to contract with a third-party administrator offering **bundled** provider network, administrative services, stop-loss insurance, utilization management, disease management, PBM (pharmacy benefit management), FSA, and related services.

Separate bids will not be considered for stop loss, UM/DM/Wellness, PBM, or FSA only.

Proposal Submission and Timeline

Composition of Proposal

The following materials shall constitute the Proposer's complete proposal:

- A cover letter outlining the major features of the proposal, with contact information for the person to whom questions should be directed, and signed by an officer of the Company who is accountable for all representations;
- > Confirmation of Specifications and Terms
- > Appendix A Medical Cost Proposal
- Appendix B Medical Cost Facility Discount Tool
- > Appendix C Trade Secret Information Form
- Appendix D Medical Provider Network Match
- Appendix E Pharmacy Cost Proposal
- > Appendix F Pharmacy Network Match
- > Appendix G Pharmacy Formulary Match
- > Appendix H Questionnaire
- Appendix I Non- Collusion and Conflict of Interest
- Appendix J Proposal Signature Form

The County reserves the right to reject any proposals not submitted in accordance with the requirements of this RFP.

Delivery of Proposal

Questions

Questions regarding the RFP may be submitted to the RFP contact no later than **4:00 p.m. CDT on May 2, 2024**. Questions regarding this RFP must be submitted in writing via email. Please remember to include your contact information on all correspondence.

Responses to questions will be sent to all parties that received the RFP and who have not declined to provide a proposal as well as posted at

https://www.co.dakota.mn.us/Government/DoingBusiness/Pages/default.aspx.

Proposal Submission

If your organization does not wish to submit a proposal, please send a written notice via email to the RFP contact.

Shannon Welle
Dakota County Employee Relations
Dakota County Government Center
1590 Highway 55, Hastings MN 55033
Email – shannon.welle@co.dakota.mn.us

One (1) hard copy and one (1) electronic copy of your proposal are due **by 4:00 p.m., May 20, 2024**, to the RFP contact below. Files provided with the RFP in Word or Excel format must be completed and submitted in Word or Excel format in the submitted electronic copy.

Shannon Welle Dakota County Employee Relations Dakota County Government Center 1590 Highway 55, Hastings MN 55033

Email - shannon.welle@co.dakota.mn.us

No formal proposal opening or bidder's conference will occur. **Proposals received by Dakota County after the due date and time will not be considered.** The proposals, once delivered to the County, must remain effective until at least December 1, 2024, unless the County permits the proposer to withdraw its proposal. Contents of the proposals may be used at public meetings.

Timeline

The timeline for submission and review of proposals is as follows:

Activity	Date	Time
RFP Released	April 22, 2024	N/A
Questions Due	May 2, 2024	4:00 p.m. CDT
Response to Questions Released	May 13, 2024	N/A
Proposal Deadline	May 20, 2024	4:00 p.m. CDT
Presentations to County	June 18, 2024	N/A
Recommendation to Board	August 2024	N/A
Open Enrollment	November 2024	N/A
Effective Date	January 1, 2025	N/A

General Instructions for Contractor

Addenda/Clarifications

Any revisions or modifications to the RFQ/RFP shall be made by County staff in a written addendum and posted on the County's website at Doing Business – Request for Bids, Proposals and Information at https://www.co.dakota.mn.us/Government/DoingBusiness/BidProposalsInformation/. No verbal modification will be binding.

Examination of Proposal Documents

By submitting an RFQ/RFP, the Contractor represents that he or she has thoroughly examined and become familiar with the work required under this RFQ/RFP and that he or she is capable of performing quality work to achieve the objectives of this RFQ/RFP.

Pre-Contractual Expenses

Pre-contractual expenses are expenses incurred by the Contractor in: 1) preparing its quote/proposal in response to this RFQ/RFP; 2) submitting that quote/proposal to the County; or 3) any other expenses incurred by the Contractor prior to the date of execution of the proposed contract. The County shall not, in any event, be liable for any pre-contractual expenses incurred by the Contractors in the preparation of their quote/proposals. Contractors shall not include any such expenses as part of their quote/proposals.

Contract Award

Issuance of this RFQ/RFP and receipt of quotes/proposals does not commit Dakota County to award a contract. Dakota County reserves the right to postpone quote/proposal review at its own convenience, to accept or reject proposals based on evaluation of the submitted information, to accept other than the lowest cost proposal, to negotiate with other than the selected Contractor should negotiations with the selected Contractor be terminated, to negotiate with more than one Contractor simultaneously, or to cancel all or part of this RFQ/RFP.

Public Records and Requests for Confidentiality

Pursuant to the Minnesota Government Data Practices Act, Minnesota Statutes Section 13.591, the names of all entities that submitted a timely bid/proposal to Dakota County will be public once opened. All other information remains private until Dakota County has completed negotiating a contract with the selected Responder. After a contract has been negotiated, all information received is public information except "trade secret" information as defined in Minnesota Statutes Section 13.37. All information submitted by a Responder therefore shall be treated as public information by Dakota County unless the Responder properly requests that information be treated as a confidential trade secret at the time of submitting the bid/proposal.

Any request for confidential treatment of trade secret information in a Responder's bid/proposal must sufficiently describe the facts that support the classification of information as confidential trade secret. The request must include the name, address, and telephone number of the person authorized by the Responder to answer any inquiries by Dakota County concerning the request for confidentiality. This information shall be provided on the Trade Secret Information Form, see Attachment E. Dakota County reserves the right to make the final determination of whether data identified as confidential trade secret by a Responder falls within the trade secret exemption in the Minnesota Government Data Practices Act.

The envelope or mailing container of any documents submitted with the bid/proposal that the Responder believes contain confidential trade secret information must be clearly marked as containing confidential trade secret information. Each page upon which trade secret information appears must be marked as containing confidential trade secret information.

In addition to marking the documents as confidential, the Responder must submit one paper and one digital copy of the bid/proposal from which the confidential trade secret information has been excised. The confidential trade secret information must be excised in such a way as to allow the public to determine the general nature of the information removed while retaining as much of the document as possible.

The Responder's failure to request confidential treatment of confidential trade secret information pursuant to this subsection will be deemed by Dakota County as a waiver by the Responder of any confidential treatment of the trade secret information in the bid/proposal.

Requests by the public for the release of information held by Dakota County are subject to the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. Responders are encouraged to familiarize themselves with these provisions prior to submitting a bid/proposal.

By submitting this bid/proposal, Responder agrees to indemnify and hold the County, its agents and employees, harmless from any claims or causes of action relating to the County's withholding of data based upon reliance on the representations that the information is a trade secret as defined in Minnesota Statutes Section 13.37 and therefore is not public, including the payment of all costs and attorney fees incurred by the County in defending such an action.

Public Data Requests can be submitted on the County's website: https://www.co.dakota.mn.us/Government/DataPractices/

Dakota County Rights

County staff may investigate the qualifications of any Contractor under consideration, require confirmation of information furnished by Contractor, and require additional evidence of qualifications to perform the work described in this RFQ/RFP. County staff reserves the right to:

- Reject any or all proposals if such action is in the public interest;
- Cancel the entire RFQ/RFP;
- Issue a subsequent RFQ/RFP;
- Remedy technical errors in the RFQ/RFP process;
- Appoint evaluation committees to review proposals;
- Establish a short list of Contractors eligible for interview after evaluation of written proposals;
- Negotiate with any, all, or none of the RFQ/RFP respondents; and
- Reject and replace one or more subcontractors.

This RFQ/RFP does not commit Dakota County to enter into a contract, nor does it obligate Dakota County to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract.

Registration and Good Standing

All responders must be in compliance with Minnesota law governing transaction of business in the <u>State of Minnesota</u>. Upon award of the contract, the County will verify compliance prior to contracting.

Contract Terms and General Conditions

Attachment A, B, and C of this RFP sets forth the Dakota County standard Contract Terms and General Conditions. Quotes/proposals should indicate the firm's willingness to agree to such provisions.

Specifications and Terms

Proposal Specifications

The proposal that your company submits will constitute your unqualified consent to the following specifications. All proposers must be willing to adhere to the following terms and <u>must so state in</u> their submissions:

- > The contents of the proposal and any subsequent clarifications submitted by the successful proposers will become part of the contractual obligation and be incorporated by reference into the ensuing contract.
- ➤ The proposals submitted in response to this request will be considered the <u>only</u> submission; revised proposals will not be allowed after the proposal return date unless requested by the County.
- All proposals must exclude commissions and/or finder's fees and must reduce rates/administrative fees by the amount of standard commissions.
- All proposals must be signed by an officer of the proposing company who is authorized to enter into a contract.
- All proposals must use the attached formats for reporting rates and administrative fees (Appendix). All exhibits must be completed in their entirety.
- > All proposals must confirm willingness to adhere to Proposal Specifications and Terms.
- > All proposals must answer all applicable questions in the questionnaire.
- Any deviations from the specifications must be clearly noted. Failure to note deviations may exclude the proposal from further consideration.
- All proposals become the property of the County and will not be returned to the offering company.
- > The County reserves the right to accept qualified offers to provide services, reject any proposal or negotiate with any proposers that, in the County's determination, appears qualified.
- The public notice advertisement for the RFP, the RFP itself, your proposal, responses to the questionnaire, cost proposal and any addenda will be deemed part of the contract.
- > Compliance: Proposing companies agree to comply with all federal, state, and local laws, ordinances, rules, regulations, and executive orders pertaining to unlawful discrimination on account of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, sexual orientation, disability, or age.

Terms

All proposers must be willing to adhere to the following conditions and <u>must so state in their submissions</u>:

- Offer <u>bundled</u> provider network, administrative services, stop-loss insurance, utilization management, disease management, PBM (pharmacy benefit management), FSA, and related services.
- ➤ Effective Date and Contract Period: The County operates the health insurance program on a calendar year basis. The first plan year will begin on January 1, 2025. The contract will be for an initial three-year term beginning January 1, 2025 through December 31, 2027 with options to renew for additional one year periods.
- Proposals will be provided on a self-funded basis only, with the exception of stop loss, and Medicare Supplement/ Medicare Advantage.
- Proposals will match current plan design as closely as possible, as well as provide alternative plan designs for consideration.
- First year ASO fees are reflected on a MATURE basis.

- > Self-insured proposals include 12 months of run-out administration in the quoted fees.
- Proposers right to adjust fees/rates based on changes to population will be triggered only if population changes by more than 20%.
- The Proposer must provide currently insured participants continued coverage on a no-loss, no-gain basis.
- The actively-at-work requirement is to be waived for all current participants including those individuals on approved leaves of absence, COBRA continuance, short-term and long-term disability, and retirees. All covered members must be provided continued coverage under the new insurance arrangements.
- Pre-existing illnesses shall be covered.
- All health benefits to be provided to County employees and their dependents will include a Coordination of Benefits (COB) clause. Your standard administration of Coordination of Benefits should be utilized. In addition, it must include a Minnesota No-Fault provision.
- ➤ The administrator will be the named claim fiduciary and appeals administrator.
- Administrative, stop-Loss, and other program fees shall be remitted monthly.
- ASO fees and premium rates will be self-billed by the County (County will specify the insureds and coverages being paid for each month).
- On a weekly basis the County shall make a funds transfer for actual claims paid during the prior week.
- The successful proposer shall accept electronic enrollment from the County and bear the cost of any modifications required to their enrollment systems to do so.
- ➤ The administrator will draft, prepare, file, and distribute Summary Plan Descriptions, SBCs, and Plan Documents.
- The successful proposer shall be expected to prepare, at its own expense, descriptive literature for Dakota County and its employees and retirees, outlining such things as benefits, terms, conditions and limitations of the program. The successful proposer shall also cooperate with County staff and other plans in the preparation of literature, employee communications, and access to the plan's internet website, and participation at employee Open Enrollment meetings, etc. Employee booklets/plan documents shall be issued in addition to such employee literature.
- The cost of Open Enrollment literature and attendance at employee meetings shall be paid by the third-party administrator. All open enrollment materials must be approved by the County.

Objectives and Selection Criteria

Objectives

Dakota County is interested in maintaining an efficient health benefits program that provides quality and affordable care to participants. The County is also concerned about the continued increases in the cost of health insurance in an environment of budget reductions and decreased federal and state funding. The County is requesting proposals that meet the following key objectives:

- Competitive and Affordable Overall Cost
 - o Control cost and increases to both the employer and employees

- Consolidated Risk Pool
 - Maintain single risk pool and utilize a third-party administrator to administer the plan
 - o Provide long term management of overall costs
- Comprehensive, Broad Provider Network
 - Offer broad network in terms of the number, breadth, quality and location of network providers offer a tiered or narrow network within the broad network with cost effective, high performing providers based on plan design
 - Limit provider/patient relationship disruption that employees may experience in the event of a change in provider network
 - Provide access to providers outside the local geographic service area for retirees, students who are dependents, and employees who are working Hybrid work schedules

Customer Service

- o Provide outstanding customer service
- Provide responsive customer service
- Easy to use member portal and online services

Plan Options and Design

- Match the existing plan designs and features as closely as possible
- Offer alternative plan designs/models that are actuarially equivalent to the current plan designs that help to manage cost (possibility of increased copays and decreased deductibles to better predict cost)
- o Build incentives on the Rx copays to drive employees to lower cost retailers
- Offer a model with <u>clinic tiers clearly identified by the clinics</u> (not by providers within the same clinic)
- Continue to provide employees with choice and flexibility
- Explore the feasibility of continuing to offer a carrier-administered fully insured Medicare Supplement and/or Medicare Advantage Plan to Medicare eligibles that provides comprehensive, broad access to providers outside the service area
- Easy to search member provider directory
- o Minimize provider disruption

Plan Administration

- o Provide outstanding administrative services
 - o Provide responsive account management

Quality

- Offer employees meaningful and usable data and information regarding the quality, outcomes and cost of episodes of care
- o Encourage employees to utilize higher quality, more efficient providers
- > Health Improvement, Education and Wellness Programs
 - o Partner with administrator to design and offer comprehensive programs
 - o Explore innovative, positive incentives for participation in these programs
- Disease and Other Care Management Programs
 - o Offer assertive disease management and care management programs
 - Offer employees care support in the form of decision support tools and health care coaches or patient advocates, if cost effective. This would most likely be for those who have been identified as being at risk for or diagnosed with a particular condition or disease.

Evaluation of Proposals

Dakota County, with the assistance of Deloitte Consulting, will evaluate the proposals. The Board of Commissioners is responsible for making the final decision.

Selection Criteria

While proposals will not be evaluated on points, selection will be based on the County's assessment of the proposer's ability to perform the requested services, respond to the County's needs and provide quality services at a reasonable cost. This will include the proposer's ability to meet the selected evaluation criteria. The County considers the following criteria to be of greatest importance in selecting a health plan:

Competitive and Affordable Overall Cost

- Ability to achieve cost savings for the County through competitive fees, premium rates, provider discounts and comprehensive care management program
- Demonstrated ability to manage costs
- o A willingness to provide meaningful performance and/or fee guarantees

Comprehensive, Broad Provider Network of all specialties

- Ability to provide a provider network with significant savings
- Access to high quality providers who offer services in all localities where the participants live and work
- o Minimize employee-provider relationship disruption

Plan Options and Design

- o Ability to administer the 3 current plan designs and benefits
- o Ability to build incentives on the Rx copays to drive employees to lower cost retailers
- Ability to offer a model with clinic tiers clearly identified by the clinics (not by providers within the same clinic)
- Ability to bundle the HSA administration with the County's High Deductible Health Plan (HDHP) with Health Savings Account (HSA) so that there is integrated management
- Availability of a viable fully-insured carrier-administered Medicare Supplement and/or Medicare Advantage plan for Medicare-eligibles

Quality

- Ability to provide superior management reports and meaningful data on cost, utilization and quality indicators
- Comprehensive quality assurance and improvement program

> Plan Administration

- Proven ability to provide outstanding and responsive administrative services and account management
- o Accurate and efficient claims administration services
- High level of commitment to serve County benefits staff and all plan participants demonstrated by a commitment to customer service and accessibility
- Willingness to accept self-reported billing (County will specify the insureds and coverages being paid for each month)
- o Ability to interface via electronic data feed for bi-weekly submission of enrollment and eligibility files. The County will be conducting web-based open enrollment in November 2024.

> Health Improvement, Education, and Wellness Programs

Onsite biometric screening program

Online wellness portal

- o Partner with administrator to design and offer comprehensive programs
- o Tracking activities for wellness program credit
- Explore innovative, positive incentives for participation in these programs

- o Provide access to established employee wellness portal and tracking of our program
- Disease and Other Care Management Programs
 - o Ability to offer established, comprehensive, disease management programs
 - Proven ability to provide effective utilization management, including disease management and high case management
- Other
 - References
 - o Ability to fulfill the requirements and specifications of the RFP

Current Plan Designs

Current Coverage Overview Medical

Active Employees

UMR currently provides the Self -insured health coverage for County employees and dependents.

Three Medical plans - Dakota Advantage HRA, Dakota Select HRA, and Dakota HSA: Tiered network plan design and account based plan. No PCP required.

Retirees

- A Medicare supplement plan is available to retirees who are covered by Medicare Parts A&B. Four Plans offered two with HealthPartners and two with UCARE
- Retirees under age 65 are eligible to participate in the same plans available to the active employees.

UMR Dakota Advantage HRA — Open Access HRA Contribution: Single: \$175, Single +1: \$350, Family: \$525			
	Tier 1	Tier 2	Non-Network
Deductible	\$350 single \$1,000 single \$700 single +1 \$2,000 single +1 \$1,050 family \$3,000 family		\$2,000 single +1
Out of Pocket Max) single) family	\$4,000 single \$8,000 family
Lifetime Maximum	Unlimited		
Preventive Care	100%	100%	70% after ded.
Office Visits	90% after ded.	80% after ded.	70% after ded.
Convenience Care	90% after ded. 70% after ded.		70% after ded.
Outpatient Hospital	90% after ded.	80% after ded.	70% after ded.
Inpatient Hospital	90% after ded.	80% after ded.	70% after ded.
Lab and X-Ray	90% after ded. 70% after ded.		70% after ded.
Emergency Room	90% after ded. 90% after INN ded.		90% after INN ded.
Urgent Care	90% after ded. 70% after ded.		

UMR Dakota Advantage HRA — Open Access HRA Contribution: Single: \$175, Single +1: \$350, Family: \$525			
	Tier 1 Tier 2 Non-Network		
Teladoc	Unlimited Free		
Prescription Drugs	\$25 generic \$48 brand name \$48 specialty 70% after ded. \$63 non-formulary		70% after ded.

UMR Dakota Select HRA — Open Access HRA Contribution: Single: \$375, Single +1: \$750, Family: \$1125			
	Tier 1	Tier 2	Non-Network
Deductible	\$750 single \$1,500 single +1 \$2,250 family		\$1,500 single \$3,000 single +1 \$4,500 family
Out of Pocket Max	\$3,000 s) single iingle + 1) family	\$3,000 single \$6,000 single + 1 \$9,000 family
Lifetime Maximum		Unlimited	
Preventive Care	100%	100%	70% after ded.
Office Visits	90% after ded.	80% after ded.	70% after ded.
Convenience Care	90% after ded.		70% after ded.
Outpatient Hospital	90% after ded.	90% after ded. 80% after ded.	
Inpatient Hospital	90% after ded. 80% after ded.		70% after ded.
Lab and X-Ray	90% after ded. 70% after ded.		70% after ded.
Emergency Room	90% after ded. 90% after INN ded.		90% after INN ded.
Urgent Care	90% after ded. 70% after ded.		70% after ded.
Teladoc	Unlimited Free		
Prescription Drugs	Co-pay after Combined Medical/RX Deductible has been met: \$25 generic \$48 brand name \$48 specialty 70% after ded.		70% after ded.
	\$48 specialty \$63 non-formulary		

UMR Dakota HSA — Open Access HSA Contribution: Single: \$800, Single +1/Family: \$1600			
	Tier 1	Tier 2	Non-Network
\$1,600 single			
Deductible	s3,200 family		
Out of Pocket Max \$3,200 single			
Out of Focket Flux	\$6,400 family		
Lifetime Maximum	Unlimited		
Preventive Care	100% 65% after ded.		

Office Visits	85% after ded.	75% after ded.	65%after ded.
Convenience Care	85% after ded.	75% after ded.	-65% after ded.
Outpatient Hospital	85% after ded.	75% after ded.	-65% after ded.
Inpatient Hospital	85%after ded.	75% after ded.	65%after ded.
Lab and X-Ray	85%after ded.	75% after ded.	65%after ded.
Emergency Room	85%after ded.		
Urgent Care	85%after ded.	75% after ded	65%after ded.
Teleadoc	\$54		
Prescription Drugs	85% coverage after Medical Deductible Meet 65% after ded.		

Refer to the Appendix for further plan details.

Wellness

The County offers an outcome based wellness program through OPTUM. Employees attend an onsite fasting biometric screening for six body factors and complete a Health Assessment and challenges through RALLY. Employees are offered a credit (\$540 a year - \$300 a year) to their medical premium if markers and steps are met.

	Wellness In	centive Data	
2019	2021	2022	2023
1,193 participants	1,028 participants	1,017 participants	1,049 participants

Flexible Benefit Plan Administration Services

The County currently offers a flexible spending plan through UMR. The current plan offers health care and dependent care. The County currently uses an FSA (and HRA) debit card. UMR also administers our FSA and HRA monies. HSA monies are currently administered by OPTUM. Auto-substantiation of 90% or above is a necessary feature for the FSA and HRA administration.

Contribution and Premium Overview

Active Employee Coverage

For Dakota Advantage HRA as the Base Plan, the County contributes 90% of the single premium, 85% for single+1, and 80% for family coverage. For the Dakota Select HRA Plan, the County contributes 91% of the single premium, 87% for single +1, and 82% for family coverage. For the Dakota HSA Plan, the County contributes 91% of the single premium, 89% for single + 1, and 94% for family coverage. The Dakota Advantage and Dakota Select are both Health Reimbursement Account plans where UMR administers the HRA monies. The Dakota HSA is a Health Savings Account plan where OPTUM administers the HSA monies.

Retiree Coverage

Retirees pay the full cost for medical insurance coverage(s).

Refer to the Appendix for current and historical medical plan rates and contributions.

Requested Plan Designs

A. Medical

The County requires vendors to administer their current plan designs and benefits for all 3 of its medical plans. The County will not make plan design changes effective January 1, 2025.

B. Flexible Benefit Plan Administration Services

Proposers are expected to provide services for FSA administration, as well as a FSA debit card. Furthermore, the desire is for auto-substantiation to be at or above a 90% level.

Appendix – Provided As Separate Documents

- A. Medical Cost Proposal
- B. Medical Cost Facility Discount Tool
- C. Trade Secret Information Form
- D. Medical Provider Network Match
- E. Pharmacy Cost Proposal
- F. Pharmacy Network Match
- G. Pharmacy Formulary Match
- H. Questionnaire
- I. Non -Collusion and Conflict of Interest
- J. Proposal Signature Form

ATTACHMENT A: STANDARD ASSURANCES

NON-DISCRIMINATION

During the performance of this Contract, the Contractor shall not unlawfully discriminate against any employee or applicant for employment because the person is a member of a protected class under, and as defined by, federal law or Minnesota state law including, but not limited to, race, color, creed, religion, sex, gender, gender identity, pregnancy, national origin, disability, sexual orientation, age, familial status, marital status, veteran's status, or public assistance status. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without unlawful discrimination. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices which set forth the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, sex, national origin, disability, sexual orientation, age, marital status, veteran's status, or public assistance status.

No funds received under this Contract shall be used to provide religious or sectarian training or services.

The Contractor shall comply with any applicable federal or state law regarding non-discrimination. The following list includes, but is not meant to limit, laws which may be applicable:

- A. <u>The Equal Employment Opportunity Act of 1972</u>, as amended, 42 U.S.C. § 2000e *et seq*. which prohibits discrimination in employment because of race, color, religion, sex, or national origin.
- B. <u>Equal Employment Opportunity-Executive Order No.11246, 30 FR 12319, signed September 24, 1965</u>, as amended, which is incorporated herein by reference, and prohibits discrimination by U.S. Government contractors and subcontractors because of race, color, religion, sex, or national origin.
- C. The Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq. and 45 C.F.R. 84.3 (J) and (K) implementing Sec. 504 of the Act which prohibits discrimination against qualified handicapped persons in the access to or participation in federally-funded services or employment.
- D. The Age Discrimination in Employment Act of 1967, 29 U.S.C. § 621 et seq. as amended, and Minn. Stat. § 181.81, which generally prohibit discrimination because of age.
- E. The Equal Pay Act of 1963, as amended, 29 U.S.C. § 206(d), which provides that an employer may not discriminate on the basis of sex by paying employees of different sexes differently for the same work.
- F. <u>Minn. Stat. Ch. 363A</u>, as amended, which generally prohibits discrimination because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation, or age.
- G. Minn. Stat. § 181.59 which prohibits discrimination against any person by reason of race, creed, or color in any state or political subdivision contract for materials, supplies, or construction. Violation of this section is a misdemeanor and any second or subsequent violation of these terms may be cause for forfeiture of all sums due under the Contract.
- H. <u>Americans with Disabilities Act of 1990</u>, 42 U.S.C. §§ 12101 through 12213, 47 U.S.C. §§ 225, 611, with regulations at 29 C.F.R. § 1630, which prohibits discrimination against qualified individuals on the basis of a disability in term, condition, or privilege of employment.
- I. <u>Title VI of the Civil Rights Act of 1964</u>, 42 U.S.C. 2000d, *et seq.* and including 45 CFR Part 80, prohibits recipients, including their contractors and subcontractors, of federal financial assistance from discriminating on the basis of race, color or national origin which includes not discriminating against those persons with limited English proficiency.
- J. The Pregnancy Discrimination Act of 1978, which amended Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq which prohibits discrimination on the basis of pregnancy, childbirth, or related medical conditions.
- K. <u>Equal Protection of the Laws for Faith-based and Community Organizations-Executive Order No. 13279, signed December 12, 2002 and as amended May 3, 2018</u>. Prohibits discrimination against grant seeking organizations on the basis of religion in the administration or distribution of federal financial assistance under social service programs, including grants and loans.

- L. <u>Vietnam Era Veterans' Readjustment Assistance Act of 1974</u>, as amended, 38 U.S.C. 4212, with regulations at 41 C.F.R. Part 60-250, which prohibits discrimination in employment against protected veterans.
- 1. <u>DATA PRIVACY</u>. For purposes of this Contract, all data created, collected, received, stored, used, maintained, or disseminated by Contractor in the performance of this Contract are subject to the requirements of the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, ("MGDPA") and the Minnesota Rules implementing the MGDPA. Contractor must comply with the MGDPA as if it were a governmental entity. The remedies in Minn. Stat. § 13.08 apply to the Contractor. Contractor does not have a duty to provide access to public data to a data requestor if the public data are available from the County, except as required by the terms of this Contract. If Contractor is a subrecipient of federal grant funds under this Contract, it will comply with the federal requirements for the safeguarding of protected personally identifiable information ("Protected PII") as required in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, and the County Protected PII procedures, which are available upon request. Additionally, Contractor must comply with any other applicable laws on data privacy. All subcontracts shall contain the same or similar data practices compliance requirements.
- 2. **RECORDS DISCLOSURE/RETENTION**. Contractor's bonds, records, documents, papers, accounting procedures and practices, and other evidences relevant to this Contract are subject to the examination, duplication, transcription, and audit by the County and either the Legislative or State Auditor, pursuant to Minn. Stat. § 16C.05, subd. 5. and the U.S. Department of Health and Human Services. Such evidences are also subject to review by the Comptroller General of the United States, or a duly authorized representative, if federal funds are used for any work under this Contract. The Contractor agrees to maintain such evidences for a period of six (6) years from the date services or payment were last provided or made or longer if any audit in progress requires a longer retention period.
- 3. **WORKER HEALTH, SAFETY AND TRAINING**. Contractor shall be solely responsible for the health and safety of its employees in connection with the work performed under this Contract. Contractor shall make arrangements to ensure the health and safety of all subcontractors and other persons who may perform work in connection with this Contract. Contractor shall ensure all personnel of Contractor and subcontractors are properly trained and supervised and, when applicable, duly licensed or certified appropriate to the tasks engaged in under this Contract. Each Contractor shall comply with federal, state, and local occupational safety and health standards, regulations, and rules promulgated pursuant to the Occupational Health and Safety Act which are applicable to the work to be performed by Contractor.
- 4. PROHIBITED TELLECOMMUNICATIONS EQUIPMENT/SERVICES. If Contractor is a subrecipient of federal grant funds under this Contract, Contractor certifies that, consistent with Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232 (Aug. 13, 2018) (the "Act"), and 2 CFR § 200.216, Contractor will not use funding covered by this Contract to procure or obtain, or to extend, renew, or enter into any contract to procure or obtain, any equipment, system, or service that uses "covered telecommunications equipment or services" (as that term is defined in Section 889 of the Act) as a substantial or essential component of any system or as critical technology as part of any system. Contractor will include this certification as a flow down clause in any agreement related to this Contract.
- 5. CONTRACTOR GOOD STANDING. If Contractor is not an individual, Contractor must be registered to do business in Minnesota with the Office of the Minnesota Secretary of State and shall maintain an active/in good standing status with the Office of the Minnesota Secretary of State, and shall notify County of any changes in status within five calendar days of such change. Business entities formed under the laws of a jurisdiction other than Minnesota must maintain a certificate of authority (foreign corporations, limited liability companies, limited partnerships, and limited liability limited partnerships), or a statement of foreign qualification (foreign limited liability partnerships); 321.0902 and 321.0907 (foreign limited partnership); 321.0102(7) (foreign limited liability limited partnerships); 323A.1102(a) (foreign limited liability partnership); 321.0902 and 321.0907 (foreign general partnerships).
- 6. **CONTRACTOR DEBARMENT, SUSPENSION, AND RESPONSIBILITY CERTIFICATION.** Federal Regulation 45 CFR 92.35 prohibits the State/Agency from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government. Similarly, Minn. Stat. § 16C.03, subd. 2 provides the Commissioner of Administration with the authority to debar and suspend vendors who seek to contract with the

State/Agency. Vendors may be suspended or debarred when it is determined, through a duly authorized hearing process, that they have abused the public trust in a serious manner.

By signing this Contract, the Contractor certifies that it and its principals* and employees:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state, or local governmental department or agency; and
- B. Have not within a three (3) year period preceding this Contract: 1) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract; 2) violated any federal or state antitrust statutes; or 3) committed embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
- C. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity for: 1) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction; 2) violating any federal or state antitrust statutes; or 3) committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
- D. Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this Contract are in violation of any of the certifications set forth above; and
- E. Shall immediately give written notice to the Authorized Representative should Contractor come under investigation for allegations of fraud or a criminal offense in connection with obtaining, or performing a public (federal, state, or local government) transaction; violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- *"Principals" for the purposes of this certification means officers; directors; owners; partners; and persons having primary management or supervisory responsibilities within a business entity (e.g. general manager; plant manager; head of a subsidiary, division, or business segment and similar positions).

Directions for Online Access to Excluded Providers

To ensure compliance with this regulation, identification of excluded entities and individuals can be found on the Office of Inspector General (OIG) website at https://oig.hhs.gov/exclusions/exclusions list.asp

Attycv/Exh SA (Rev. 1-23)

ATTACHMENT B: INSURANCE TERMS

Contractor agrees to provide and maintain at all times during the term of this Contract such insurance coverages as are indicated herein and to otherwise comply with the provisions that follow. Such policy(ies) of insurance shall apply to the extent of, but not as a limitation upon or in satisfaction of, the Contract indemnity provisions. The provisions of this section shall also apply to all Subcontractors, Sub-subcontractors, and Independent Contractors engaged by Contractor with respect to this Contract, and Contractor shall be entirely responsible for securing the compliance of all such persons or parties with these provisions.

APPLICABLE SECTIONS ARE CHECKED

☑ 1. Workers Compensation.

Workers' Compensation insurance in compliance with all applicable statutes including an All States or Universal Endorsement where applicable. Such policy shall include Employer's Liability coverage in an amount no less than \$500,000. If Contractor is not required by Statute to carry Workers' Compensation Insurance, Contractor agrees: (1) to provide County with evidence documenting the specific provision under Minn. Stat. § 176.041 which excludes Contractor from the requirement of obtaining Workers' Compensation Insurance; (2) to provide prior notice to County of any change in Contractor's exemption status under Minn. Stat. § 176.041; and (3) to defend, hold harmless and indemnify County from and against any and all claims and losses brought by Contractor or any subcontractor or other person claiming through Contractor for Workers' Compensation or Employers' Liability benefits for damages arising out of any injury or illness resulting from performance of work under this Contract. If any such change requires Contractor to obtain Workers' Compensation Insurance, Contractor agrees to promptly provide County with evidence of such insurance coverage.

☑ 2. General Liability.

"Commercial General Liability Insurance" coverage, providing coverage on an "occurrence" basis. Policy shall include, but not be limited to, coverage for Bodily Injury, Property Damage, Personal Injury, Contractual Liability (applying to this Contract), Independent Contractors, "XC&U" and Products-Completed Operations liability (if applicable). An Insurance Services Office "Comprehensive General Liability" policy which includes a Broad Form Endorsement GL 0404 (Insurance Services Office designation) shall be considered to be an acceptable equivalent policy form. Claims-made coverage is acceptable.

A total combined general liability policy limit of at least \$2,000,000 per occurrence and aggregate, applying to liability for Bodily Injury, Personal Injury, and Property Damage, which total limit may be satisfied by the limit afforded under its Commercial General Liability policy, or equivalent policy, or by

such policy in combination with the limits afforded by an Umbrella or Excess Liability policy (or policies); provided, that the coverage afforded under any such Umbrella or Excess Liability policy is at least as broad as that afforded by the underlying Commercial General Liability policy (or equivalent underlying policy). Coverage under such policy may be subject to a deductible, not to exceed \$25,000 per occurrence. Contractor agrees to maintain such insurance for at least one (1) year from Contract termination.

Such policy(ies) shall name Dakota County, its officers, employees and agents as Additional Insureds thereunder.

☑ 3. Professional Liability

Professional Liability (errors and omissions) insurance with respect to its professional activities to be performed under this Contract. This amount of insurance shall be at least \$2,000,000 per occurrence and aggregate. Coverage under such policy may be subject to a deductible, not to exceed \$25,000 per occurrence. Contractor agrees to maintain such insurance for at least one (1) year from Contract termination.

Contractor therefore agrees that it will not seek or voluntarily accept any such change in its Professional Liability insurance coverage if such impairment of Dakota County's protection could result; and further, that it will exercise its rights under any "Extended Reporting Period" ("tail coverage").

□ 4. Automobile Liability.

Business Automobile Liability insurance covering liability for Bodily Injury and Property Damage arising out of the ownership, use, maintenance, or operation of all owned, non-owned and hired automobiles and other motor vehicles utilized by Contractor in connection with its performance under this Contract. Such policy shall provide total liability limits for combined Bodily Injury and/or Property Damage in the amount of at least \$2,000,000per accident

☐ Such policy, shall include Dakota County, its officers, employees and agents as Additional Insureds thereunder.

Network security and privacy liability insurance, including first-party costs, for any breach that compromises data obtained while providing services under this Agreement. This insurance should to cover claims which may arise from failure of Contractor's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data including but not limited to confidential or private information, transmission of a computer virus or denial of service. The required limit shall not be less than \$2,000,000 per occurrence with a \$4,000,000 aggregate limit. Claims-made coverage is acceptable. Such insurance shall name Dakota County, its officials, employees, volunteers and agents as

additional insureds. The policy shall provide an extended reporting period of not less than thirty-six (36) months from the expiration date of the policy, if the policy if not renewed.

Contractor shall promptly provide Dakota County with a Certificate of Insurance prior to commencement of any work. At least 10 days prior to termination of any such coverage, Contractor shall provide Dakota County with evidence that such coverage will be renewed or replaced upon termination with insurance that complies with these provisions.

☑ 7. Insurer: Policies.

All policies of insurance shall be issued by financially responsible insurers licensed to do business in the State of Minnesota by a n insurer with a current A.M. Best Company rating of at least A:VII.

■ 8. Release and Waiver.

Contractor agrees to rely entirely upon its own property insurance for recovery with respect to any damage, loss or injury to the property interests of Contractor. Contractor hereby releases Dakota County, its officers, employees, agents, and others acting on their behalf, from all claims, and all liability or responsibility to Contractor, and to anyone claiming through or under Contractor, by way of subrogation or otherwise, for any loss of or damage to Contractor's business or property caused by fire or other peril or event, even if such fire or other peril or event was caused in whole or in part by the negligence or other act or omission of Dakota County or other party who is to be released by the terms here of, or by anyone for whom such party may be responsible.

Contractor agrees to effect such revision of any property insurance policy as may be necessary in order to permit the release and waiver of subrogation agreed to herein. Contractor shall, upon the request of Dakota County, promptly provide a Certificate of Insurance, or other form of evidence as may be reasonably requested by Dakota County, evidencing that the full waiver of subrogation privilege contemplated by this provision is present; and/or, if so requested by Dakota County, Contractor shall provide a full and complete copy of the pertinent property insurance policy(ies).

Revised: 11/23

ATTACHMENT C: SAMPLE CONTRACT

Dakota County Contract #C00SAMPLE

SAMPLE CONTRACT BETWEEN THE COUNTY OF DAKOTA AND SAMPLE FOR SAMPLE

This Contract (Contract) is made and entered into between the County of Dakota, a political subdivision of the State of Minnesota, by and through its <u>SAMPLE</u> Department (County) and <u>SAMPLE</u>, <u>SAMPLE</u>, <u>SAMPLE</u>, MN <u>SAMPLE</u> (Contractor). Contractor and County are collectively referred to herein as the "parties" and individually as "party."

WHEREAS, the County requires for <u>SAMPLE</u>, as identified in the County's Request for <u>SAMPLE</u> (RF <u>SAMPLE</u>) dated <u>SAMPLE</u>, attached and incorporated as <u>Exhibit 1</u>.

WHEREAS, the Contractor represents, covenants, and warrants it can and will perform the services according to the provisions of this Contact and Contractor's <u>SAMPLE</u>, dated <u>SAMPLE</u>, ("Contractor's [quote/bid/response]") attached and incorporated as **Exhibit 2**.

ACCORDINGLY, the parties agree as follows:

1. TERM

This Contract is effective and enforceable as of the date the last party executes this Contract [or a specific/future date] ("Effective Date") and expires on [expiration date] or the date on which all Services have been satisfactorily performed and final payment is made, whichever occurs first

2. CONTRACTOR'S OBLIGATIONS

- 2.1. <u>General Description.</u> Contractor shall provide the services generally described in in the RF **SAMPLE** and Contractor's Contractor's Proposal (collectively, "Services").
- 2.2. <u>Conformance to Specifications</u>. Contractor represents, covenants, and warrants it can and will perform the Services in a timely manner according to this Contract.
- 2.3. <u>Standard of Care</u>. In the performance of the Services, Contractor shall use the care and skill a reasonable practitioner in Contractor's profession would use in the same or similar circumstances.
- 2.4. <u>Ability to Perform</u>. Contractor shall maintain staff, facilities, and equipment necessary to perform under this Contract. Contractor shall promptly provide Notice to the County when it knows or suspects it may be unable to perform under this Contract. The County shall determine whether such inability requires amendment or termination of this Contract. No Notice of Default is required to terminate under this section.
- 2.5. <u>Changes in Policy or Staff</u>. The County may terminate this Contract by providing 10 calendar days' Notice if the Contractor makes or proposes significant changes in policies or staffing.
- 2.6. Successors and Assigns. In order to continue Services under the Contract and subject to the County's prior written consent, in the event of a voluntary or involuntary dissolution, merger, sale, transfer, reorganization, acquisition or winding down of the Contractor's business, all rights, duties, liabilities, obligations, and provisions of this Contract bind, benefit, and are assumed by the successors, legal representatives, trustees, or assigns of the Contractor as permitted by the County in writing.

3. PAYMENT

- 3.1. <u>Total Cost</u>. County will pay Contractor a total amount not to exceed <u>SAMPLE</u> Dollars and zero Cents (\$<u>SAMPLE</u>) ("Contract Maximum"). The Contract Maximum is not subject to any express or implied condition precedent. The County is not required to pay for any minimum amount of any Services.
- 3.2. <u>Compensation</u>. The County shall pay for purchased Services in the fixed amounts set out in the Contractor's Proposal.
- 3.3. <u>Time of Payment</u>. The County shall pay Contractor within 35 calendar days after the date on which Contractor's invoice is received. If the invoice is incorrect, defective, or otherwise improper, the County will notify Contractor within 10 calendar days after the date on which the invoice is received. The County will pay Contractor within 35 calendar days after the date on which the corrected invoice is received.
- 3.4. <u>Interest on Late Payments.</u> This provision is required by Minn. Stat. § 471.425. The County shall pay interest of 1 ½ percent per month or any part of a month to the Contractor on any undisputed amount that is not paid on time. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For unpaid balances of less than \$100, the County shall pay the actual interest penalty due the Contractor.
- 3.5. <u>Late Request for Payments.</u> The County may refuse to pay invoices received or postmarked more than 90 calendar days after the date that the invoiced Services were performed.
- 3.6. Payment for Unauthorized Claims.
 - A. Payment does not prevent the County from disputing the claim. Payment of a claim is not a waiver, admission, release, ratification, satisfaction, accord, or account stated by the County
 - B. The County is not responsible for any interest, fee, or penalty if it withholds payment for failure to comply with any provision of this Contract or during the pendency of an audit or inspection
 - C. If the County requires an audit or inspection, the County does not have to pay any invoices until the audit or inspection is complete. Upon completion of the audit or inspection, the County will pay the Contractor pursuant to the time period for payment after receipt of an invoice
 - D. The County may offset any overpayment or disallowance of any invoice by reducing future payments.

4. COMPLIANCE WITH LAWS/STANDARDS

- 4.1. <u>General</u>. Contractor shall abide by all Federal, State or local laws, statutes, codes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this Contract or to the facilities, programs, and staff for which Contractor is responsible. This includes, but is not limited to all Standard Assurances, which are attached and incorporated as **Attachment <u>SAMPLE</u>** Any violation of this section is a material breach of this Contract. No Notice of Default is required to terminate under this section.
- 4.2. <u>Minnesota Law to Govern</u>. The laws of Minnesota govern all matters related to this Contract, without giving effect to the principles of conflict of law. Venue and jurisdiction for any litigation related to this Contract must be in those courts located within Dakota County, State of Minnesota or U.S. District Court, District of Minnesota.
- 4.3. <u>Licenses</u>. At its own expense, Contractor shall procure and maintain all licenses, certifications, registrations, permits, or other rights required for the provision of the Services under this Contract. Contractor shall furnish copies of the above to the County upon request. Contractor shall provide Notice to the County of any changes in the above within five (5) calendar days of such change.

Any violation of this section is a material breach of this Contract. No Notice of Default is required to terminate under this section.

4.4. <u>Diversity and Inclusion; Prohibited Acts.</u> It is the policy of the County to respect culture and reduce bias in the workplace and service delivery. The County's commitment to inclusion, diversity, and equity requires that the Contractor uphold respectful regard for cultural differences and recognition of individual protected-class status as defined under law

The Contractor, its managers, officers and employees shall abstain from discrimination, harassment and retaliatory actions in the performance of this Contract. If the County receives a report of non-compliance with this provision, it will share the report with Contractor, conduct an appropriate investigation as warranted by the nature of alleged behavior, and notify Contractor of the findings of the investigation and any required remedial actions by the Contractor. The Contractor shall inform the County of compliance with any required remedial actions within the time period provided by the County. If the behavior persists, the County may terminate the Contract in accordance with section 12, Termination. The Contractor shall have policies that prohibit retaliation for reporting that is not in compliance with this provision

5. INDEPENDENT CONTRACTOR STATUS

Contractor is an independent contractor. Nothing in this Contract is intended to create an employer and employee relationship between the County and the Contractor. Contractor is not entitled to receive any of the benefits received by County employees and is not eligible for workers' or unemployment compensation benefits. Contractor also acknowledges and agrees that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due Contractor, and that it is Contractor's sole obligation to comply with the applicable provisions of all State and Federal tax laws.

6. NOTICES

- 6.1. Each Notice must be signed by the Authorized Representative. Notices may be signed electronically. Unless otherwise stated in a specific section of this Contract, any notice or demand, (collectively, "Notice") must be in writing and provided to the Authorized Representative by at least one of the following:
 - A. Personal delivery, which is deemed to have been provided upon receipt as indicated by the date on the signed affidavit; or
 - B. Registered or Certified Mail, in each case, return receipt requested and postage prepaid, which is deemed to have been provided upon receipt as indicated by the date on the signed receipt, certification, or affidavit; or
 - C. Nationally or internationally recognized overnight courier, with tracking service, with all fees and costs prepaid, which is deemed to have been provided upon receipt as indicated by the date on the signed receipt, certification, or affidavit; or
 - D. Except for Notices of Termination and Notices of Default, email, which is deemed to have been provided upon receipt as indicated by the date on a report generated by the outgoing email server indicating that the email was successfully sent, passed, or transmitted to the email server of the Authorized Representative's email address, or upon receiving an email confirming delivery to the Authorized Representative's email address.
- 6.2. If the Authorized Representative rejects or otherwise refuses to accept or respond to the Notice, or if the Notice cannot be provided because of a change in contact information for which no Notice was provided, then the Notice is effective upon rejection, refusal, or inability to deliver.

7. INDEMNIFICATION

7.1. <u>General</u>. To the greatest extent allowed by law, in the performance of or failure to perform this Contract, Contractor shall indemnify, defend (in the case of third-party claims, with counsel satisfactory to County), and hold harmless the County, its officers, agents, and employees, from

and against any actual or alleged loss, litigation cost (including, but not limited to, reasonable attorney fees and costs and expenses of defense), costs, settlement, judgment, demands, damage, liability, lien, debt, injury, harm, fees, fines, penalties, interest, expenditure, diminution in value, disbursement, action, claim, proceeding, or dispute of any sort (collectively "Losses"), whether or not involving a third party, which are attributable to Contractor's, or Contractor's agents', independent contractors', employees', or delegatees', actual or alleged:

- A. Intentional, willful, or negligent acts or omissions; or
- B. Actions or omissions that give rise to strict liability; or
- C. Negligent or intentional misrepresentation, breach of warranty, covenant, contract, or subcontract:

whether or not well-founded in fact or in law, known or unknown, foreseen or unforeseen, fixed or contingent and howsoever originating or existing, and whether or not based upon statute, common law, or equity. This indemnity provision survives expiration or termination of this Contract.

- 7.2. <u>Limitations</u>. The indemnification, defense, and hold harmless obligations of this section do not apply to the extent that liability is the direct or proximate result of the negligence or fault of the County or any third party for whom the Contractor is not legally liable. This limitation is not a waiver on the part of the County of any immunity or limits on liability under Minn. Stat. Ch. 466, or other applicable State or Federal law.
- 7.3. <u>Notice</u>. The parties shall promptly provide Notice in writing and in reasonable detail of:
 - A. any demand, action, suit, or proceeding against the party providing Notice; or
 - B. any event or fact that may give rise to indemnification under section 7.1 by Contractor.
- 7.4. Control of Defense and Settlement. Contractor shall promptly provide Notice to the County of any proposed settlement, and Contractor may not, without County's prior written consent (which the County will not unreasonably withhold, condition, or delay), settle such claim or consent to entry of any third-party judgment. Nothing in this section precludes Contractor from allowing County to undertake control of the defense.

8. INSURANCE

Contractor shall maintain policies of insurance as set forth in [Attachment SAMPLE] and pay all retentions and deductibles under such policies of insurance. Any violation of this section is a material breach of this Contract. This section survives expiration or termination of this Contract. No Notice of Default is required to terminate under this section.

9. SUBCONTRACTING

- 9.1. <u>Subcontracting Generally Prohibited</u>. Contractor shall not assign or delegate any interest, right, duty, or obligation related to this Contract without the County's prior written consent. The County may void any purported assignment, delegation, or subcontract in violation of this section.
- 9.2. <u>Permitted Subcontracting</u>. Contractor may subcontract with the subcontractors identified in Contractor's Proposal or as permitted by the County in writing, subject to the following:
 - A. Contractor shall be responsible for the performance of its Subcontractors.
 - B. All Subcontractors shall comply with the provisions of this Contract.
 - C. Contractor remains responsible for performing Services under and complying with this Contract, regardless of any subcontract.
- 9.3. <u>Notice to County</u>. Contractor shall provide Notice to the County of any complaint, demand, action, proceeding, filing, lien, suit, or claim that Contractor has not paid or failed to timely pay any

subcontractor. Notice must be provided no later than 10 calendar days after the date on which the Contractor first receives the complaint, demand, action, proceeding, filing, lien, suit, or claim.

- 9.4. Payment of Subcontractors. This provision is required by Minn. Stat. § 471.425. Contractor shall pay the subcontractor within 10 calendar days after the date on which the Contractor receives payment from the County for undisputed Services performed by the subcontractor. Contractor agrees to pay interest of 1½ percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For unpaid balances of less than \$100, the Contractor shall pay the actual interest penalty due the subcontractor
- 9.5. A violation of any part of this section is a material breach of contract.

10. FORCE MAJEURE

Neither party shall be liable to the other party for any loss or damage resulting from a delay or failure to perform due to unforeseeable acts or events outside the defaulting party's reasonable control, providing the defaulting party gives notice to the other party as soon as possible. Acts and events may include acts of God, acts of terrorism, war, fire, flood, epidemic, acts of civil or military authority, and natural disasters.

11. DEFAULT

- 11.1. <u>Notice of Default</u>. Unless otherwise stated in a specific section of this Contract, no event or circumstance constitutes a default giving rise to the right to terminate for cause unless and until a Notice of Default is provided to the defaulting party, specifying the particular event or circumstance, series of events or circumstances, or failure constituting the default and cure period, if any.
- 11.2. <u>Cure Period</u>. The party providing the Notice of Default has the option, but is not required, to give the other party an opportunity to cure the specified default. If an opportunity to cure is given, it must be specifically described in the Notice of Default, including any period in which to comply.
- 11.3. <u>Withholding Payment</u>. Notwithstanding any other provision of this Contract, the County may, after giving Notice of Default, withhold, without penalty or interest, any payment which becomes due after Notice of Default is provided until the specified default is excused or cured, or the Contract is terminated.

12. TERMINATION

- 12.1. <u>Termination Without Cause</u>. Either party may terminate this Contract without cause by providing 30 calendar days' Notice of Termination to the other party
- 12.2. <u>Termination for Cause or Material Breach</u>. Either party may terminate this Contract for cause by providing 7 calendar days' Notice of Termination to the other party, unless a different procedure or effective date is stated within the specific section of this Contract under which the default occurs. In addition to other specifically stated provisions of this Contract or as otherwise stated in law, events or circumstances constituting default and giving rise to the right to terminate for cause, unless waived, include but are not limited to:
 - 1. Making material misrepresentations either in the attached exhibits or in any other material provision or condition relied upon in the making of this Contract;
 - 2. Failure to perform Services or provide payment within the time specified in this Contract;
 - 3. Failure to perform any other material provision of this Contract;
 - 4. Failure to diligently and timely perform Services so as to endanger performance of the provisions of this Contract;

- 5. The voluntary or involuntary dissolution, merger, sale, transfer, reorganization, acquisition or winding down of the Contractor's business.
- 12.3. Termination by County Lack of Funding. The County may immediately terminate this Contract for lack of funding. A lack of funding occurs when funds appropriated for this Contract as of the Effective Date from a non-County source are unavailable or are not appropriated by the County Board. The County has sole discretion to determine if there is a lack of funding. The County is not obligated to pay for any Services that are performed after providing Notice of Termination for lack of funding. The County is not subject to any penalty or damages for termination due to lack of funding. No Notice of Default is required to terminate under this section.
- 12.4. <u>Notice of Termination</u>. The Notice of Termination must state the intent to terminate the Contract and specify the events or circumstances and relevant Contract provision warranting termination of the Contract and whether the termination is for cause.
- 12.5. <u>Duties of Contractor upon Termination</u>. Upon the County providing of the Notice of Termination, and except as otherwise stated, Contractor shall:
 - A. Discontinue performance under this Contract on the date and to the extent specified in the Notice of Termination.
 - B. Complete performance of any work that is not discontinued by the Notice of Termination.
 - C. Cooperate with County with any transition of Services.
 - D. Cancel all orders and subcontracts to the extent that they relate to the performance of this Contract.
 - E. Return all County property in its possession within 7 calendar days after the date on which the Contractor receives the Notice of Termination to the extent that it relates to the performance of this Contract that is discontinued by the Notice of Termination.
 - F. Submit an invoice for Services satisfactorily performed prior to the effective date of termination within 35 calendar days of said date.
 - G. Maintain all records relating to the performance of the Contract as may be directed by the County in the Notice of Termination or required by law or this Contract.
- 12.6. <u>Duties of County upon Termination of the Contract for Cause or Without Cause</u>. Upon delivery of the Notice of Termination, and except as otherwise provided, the County shall make final payment to Contractor in accordance with section 3.3 of this Contract for Services satisfactorily performed.
- 12.7. Effect of Termination for Cause or without Cause.
 - A. Termination of this Contract does not discharge any liability, responsibility, or right of any party that arises from the performance of, or failure to adequately, perform the provisions of this Contract prior to the effective date of termination. Termination shall not discharge any obligation which, by its nature, would survive after the date of termination, including by way of illustration only and not limitation, the requirements set forth in Attachment **SAMPLE** (Standard Assurances) and the indemnity provisions of section 7.
 - B. The County shall not be liable for any Services performed after Notice of Termination, except as stated above or as authorized by the County in writing.

13. CONTRACT RIGHTS/REMEDIES

13.1. <u>Rights Cumulative</u>. All remedies under this Contract or by law are cumulative and may be exercised concurrently or separately. The exercise of any one remedy does not preclude exercise of any other remedies.

13.2. <u>Waiver</u>. Any waiver is only valid when reduced to writing, specifically identified as a waiver, and signed by the waiving party's Authorized Representative. A waiver is not an amendment to the Contract. The County's failure to enforce any provision of this Contract does not waive the provision or the County's right to enforce it.

14. AUTHORIZED REPRESENTATIVE

14.1. The Authorized Representatives of the respective parties for purposes of this Contract are as follows:

To the Contractor:	To the County:
SAMPLE	SAMPLE
(Name)	(Name)
SAMPLE	SAMPLE
(Title)	(Title)
SAMPLE	SAMPLE
(Street)	(Street)
SAMPLE	SAMPLE
(City, MN Zip Code)	(City, MN Zip Code)
SAMPLE	SAMPLE
(Telephone)	(Telephone)
SAMPLE	SAMPLE
(Email Address)	(Email Address)

- 14.2. The Authorized Representative, or his or her successor, has authority to bind the party he or she represents and sign this Contract. The County's Authorized Representative shall have only the authority granted by the County Board. The parties shall promptly provide Notice to each other when an Authorized Representative's successor is appointed. The Authorized Representative's successor shall thereafter be the Authorized Representative for purposes of this Contract.
- 14.3. In addition, notification to the County regarding breach or termination shall be provided to:

Dakota County Attorney's Office Civil Division 1560 Highway 55 Hastings, Minnesota 55033

15. LIAISON

15.1. The Liaisons of the respective parties for purposes of this Contract are as follows:

Contractor Liaison: SAMPLE

Telephone: SAMPLE

Telephone: SAMPLE

Email Address: SAMPLE

Email Address: SAMPLE

15.2. The Liaison, or his or her successor, has authority to assist the parties in the day-to-day performance of this Contract, ensure compliance, and provide ongoing consultation related to the performance of this Contract. The parties shall promptly provide Notice to each other when a Liaison's successor is appointed. The Liaison's successor shall thereafter be the Liaison for purposes of this Contract

16. OWNERSHIP OF WORK PRODUCT

As the County's contractor for hire, the County shall own in perpetuity, solely and exclusively, all rights of every kind and character, in all proceeds, works, drawings, products, plans, and all other materials created by Contractor pursuant to this Contract (collectively referred to as "Works"), and the County shall be deemed the author thereof for all purposes. Such Works are deemed "works for hire," as defined in the U.S. Copyright Act, 17 U.S.C. § 101. Contractor shall, upon the request of the County, execute all papers and perform all other acts necessary to assist the County to obtain and register copyrights on such Works. If, for any reason, any of the Works do not constitute a "work made for hire," Contractor hereby irrevocably assigns to the County, in each case without additional consideration, all right, title, and interest throughout the universe in and to the works, including all copyrights therein.

17. AMENDMENTS

Any amendments to this Contract are only valid when reduced to writing, specifically identified as an amendment, and signed by both parties' Authorized Representative.

18. SEVERABILITY

The provisions of this Contract are severable. If any provision of this Contract is void, invalid, or unenforceable, it will not affect the validity and enforceability of the remainder of this Contract unless the void, invalid, or unenforceable provision substantially impairs the value of the entire Contract with respect to either party.

19. MERGER

- 19.1. <u>Final Agreement</u>. This Contract is the final expression of the agreement of the parties. This Contract is the complete and exclusive statement of the provisions agreed to by the parties. This Contract supersedes all prior negotiations, understandings, or agreements. There are no representations, warranties, or provisions, either oral or written, not contained herein.
- 19.2. <u>Exhibits</u>. The following Exhibits and addenda, including all attachments, are incorporated and made a part of this Contract:
 - Exhibit 1 County's Request for **SAMPLE** dated **SAMPLE** (including Attachments/Addenda)
 - Exhibit 2 Contractor's Response to Request for SAMPLE dated SAMPLE
 - Exhibit 3 Standard Assurances
 - Exhibit 4 Insurance Terms
- 19.3. By signing this Contract, Contractor acknowledges receipt of all the above Exhibits and addenda, including all attachments. If there is a conflict between any provision of any Exhibit and any provision in the body of this Contract, the body of this Contract will prevail. To the extent reasonably possible, the Exhibits will be construed and constructed to supplement, rather than conflict with, the body of this Contract. If there is a conflict between any provision of an Exhibit and another Exhibit, the following is the order of precedence: Exhibit 1, Exhibit 2.

20. CONFIDENTIALITY

- 20.1. "Protected Data" has the same meaning as Not Public Data as defined in Minn. Stat. § 13.02, subd. 8a. Trade Secret Data as defined in Minn. Stat. § 13.37, subd. 1(b) shall be identified by Contractor to County and included in the definition of Protected Data
- 20.2. For purposes of this Contract, all data created, collected, received, stored, used, maintained, or disseminated by Contractor in the performance of this Contract is subject to the requirements of the Minnesota Government Data Practices Act ("MGDPA"), Minn. Stat. Chapter 13 and its implementing rules, as well as any other applicable State or Federal laws on data privacy or security. Contractor must comply with, and is subject to, the provisions, remedies, and requirements of the MGDPA as if it were a governmental entity
- 20.3. Contractor acknowledges that the County may transmit Protected Data to Contractor in connection with Contractor's performance of this Contract. Contractor shall not, at any time,

directly or indirectly reveal, report, publish, duplicate, or otherwise disclose Protected Data to any third party in any way whatsoever, unless required or allowed by law. Contractor agrees to implement such procedures as are necessary to assure protection and security of Protected Data and to furnish the County with a copy of said procedures upon request

- 20.4. Each party shall provide the other party with prompt Notice of a breach of the security of data as defined in Minn. Stat. § 13.055, subd. 1(a) or suspected breach of the security of data and shall assist in remedying such breach. Providing or accepting assistance does not constitute waiver of any claim or cause of action for breach of contract
- 20.5. Contractor shall cooperate with the County in responding to all requests for data. Contractor does not have a duty to provide access to public data if the public data are available from the County, except as required by the provisions of this Contract. The parties shall promptly notify each other when any third party requests Protected Data related to this Contract or the Services. Contractor shall ensure that all subcontracts contain the same or similar data practices compliance requirements. All provisions of this Section apply to any subcontract or subcontractor.
- 20.6. This section survives expiration or termination of this Contract.

21. ELECTRONIC SIGNATURES

Each party agrees that the electronic signatures of the parties included in this Contract are intended to authenticate this writing and to have the same force and effect as wet ink signatures.

22. CONTRACT INTERPRETATION AND CONSTRUCTION

This Contract was fully reviewed and negotiated by the parties. Any ambiguity, inconsistency, or question of interpretation or construction in this Contract shall not be resolved strictly against the party that drafted the Contract. It is the intent of the parties that every section (including any subsection), clause, term, provision, condition, and all other language used in this Contract shall be constructed and construed so as to give its natural and ordinary meaning and effect.

23. WAGE WITHHOLDING TAX

Pursuant to Minn. Stat. § 270C.66, County shall make final payment to Contractor only upon satisfactory showing that Contractor and any subcontractors have complied with the provisions of Minn. Stat. § 290.92 with respect to withholding taxes, penalties, or interest arising from this Contract. A certificate by the Minnesota Commissioner of Revenue (Minnesota Department of Revenue Form IC-134, entitled "Withholding Affidavit for Contractors") satisfies this requirement with respect to the Contractor or subcontractor.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the date(s) indicated below.

COUNTY OF Dakota By: SAMPLE (Signature line)	FOR THE CONTRACTOR (I represent and warrant that I am authorized by law to execute this contract and legally bind the Contractor)
SAMPLE (Name, Title, Department)	By: SAMPLE (Signature Line – Please Use Blue Ink)
SAMPLE Date of Signature	SAMPLE (Print Name and Title)
	Contractor Name: <u>SAMPLE</u>
Contract Number C00SAMPLE	Address: SAMPLE
	City, State, Zip Code: SAMPLE
APPROVED AS TO FORM:	Date of Signature:SAMPLE
SAMPLE Assistant Dakota County Attorney/Date	
KS- <u>SAMPLE</u> Dakota County Board Resolution: <u>SAMPLE</u>	
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